The Marketplace Fairness Act

The Marketplace Fairness Act would allow local Main Street retailers to compete on a level playing field against out-of-state Internet retailers, give states the ability to enforce their own sales and use tax laws reducing the need to raise taxes, and relieve consumers of the legal burden to report to state tax departments the sales taxes they owe on online purchases. This bill **does not** create new taxes or increase existing taxes.

Background

The Supreme Court held in its 1992 *Quill* that only Congress has the authority to regulate interstate commerce under the Commerce Clause and the current maze of state and local sales tax rules is too complicated to require remote retailers to collect sales taxes. The result is that states and local governments are prohibited from enforcing existing sales and use tax laws on the growing number of out-of-state sales.

The Marketplace Fairness Act allows states and local governments, if they so choose, to enforce existing state and local sales and use tax laws if they simplify sales and use tax administration and collection and exempt small online retailers from collection requirements. The bill would level the playing field for Main Street businesses that are currently at a competitive disadvantage because they must collect sales and use taxes while a growing number of remote retailers do not. It would provide a pathway for states and localities across the country to collect an estimated \$23 billion annually in uncollected tax revenue to balance their budgets by collecting taxes already owed instead of increasing taxes or cutting vital services.

Marketplace Fairness Act

The bill provides states the authority to enforce existing sales and use tax laws, if they choose to do so, by adopting one of the following options:

- Streamlined Sales and Use Tax Agreement (SSUTA): Allows any state that is a member of SSUTA to require remote retailers to collect state and local sales and use taxes.
- Alternative Minimum Simplification Requirements: States that are not SSUTA members may require remote retailers to collect state and local sales and use taxes if they adopt minimum simplification requirements as outlined in the bill.

Small Seller Exception: The legislation would prohibit states from requiring remote sellers with less than \$1 million in annual nationwide remote sales to collect sales and use taxes.

The legislation does not create new taxes or increase existing taxes: Consumers already owe sales and use taxes on the goods they purchase. The legislation simply provides states the authority to enforce existing state and local sales and use tax laws and eliminates the competitive advantage currently enjoyed by remote retailers at the expense of local businesses.

The bill is supported by over 200 business, labor, and state and local government organizations including the National Governors' Association, National Conference of State Legislatures, National Association of Counties, National League of Cities, Retail Industry Leaders Association, National Retail Federation, International Council of Shopping Centers, Amazon.com, and AFSCME.

Marketplace Fairness Act of 2013 List of Support

Abbell Associates

Acadia Realty Trust

AFSCME

Alabama College Bookstore Association

Alabama Retail Association

Alaska State Veterinary Medical Association

Alliance of Wisconsin Retailers

Amazon.com

American Apparel and Footwear Association

American Booksellers Association

American Independent Business Alliance

American Specialty Toy Retailing Association

American Veterinary Medical Association

Arizona Retailers Association

Arkansas Grocers & Retail Merchants Association

Association for Christian Retail

Association of Washington Business

AutoZone, Inc.

Balliet's LLC

Barnes and Noble, Inc.

Beall's, Inc.

Bed, Bath, & Beyond, Inc.

Ben Bridge Jewelers

Best Buy Co., Inc.

Blake Hunt Ventures, Inc.

Build-A-Bear Workshop

California Association of College Store

California Business Properties Association

California Retailers Association

California Veterinary Medical Association

Carolinas Food Industry Council

CBL & Associates Properties, Inc.

Cencor Realty Services

Certified Commercial Investment Member Institute

College Stores Association of North Carolina

Colorado Retail Council

Colorado Veterinary Medical Association

Connecticut Retail Merchants Association

Consumer Electronics Association

Consumer Electronics Retailers Coalition

David Hocker & Associates, Inc.

DDR Corp.

Delaware Veterinary Medical Association

Dick's Sporting Goods, Inc.

DLC Management Corp.

Donahue Schriber Realty Group

Economic Alliance Snohomish County

EDENS

Evergreen Devco, Inc

ExOfficio

Fairfield Corporation

Federal Realty Investment Trust

FedTax

Florida Retail Federation

Food Marketing Institute

Footwear Distributors and Retailers of America

Garrison Pacific Properties

General Growth Properties

Georgia Association of College Stores

Georgia Retail Association

Georgia Veterinary Medical Association

Glimcher Realty Trust, Columbus, OH

Hart Realty Advisers, Inc.

Hy-Vee, Inc.

Idaho Retailers Association

Idaho Veterinary Medical Association

Illinois Association of College Stores

Illinois Retail Merchants Association

Illinois State Veterinary Medical Association

Independent Running Retailer Association

Indiana Retail Council

Indiana Veterinary Medical Association

Institute of Real Management

International Council of Shopping Centers

International Downtown Association

International Economic Development Council

Iowa Retail Federation

Iowa Veterinary Medical Association

J.C. Penney Corporation, Inc.

Jewelers of America

Jo-Ann Stores, Inc.

Kemper Development Company

Kentucky Retail Federation

Kentucky Veterinary Medical Association

Kimco Realty Corporation

L. Michael Foley and Associates, LLC

Limited Brands, Inc.

Los Angeles Area Chamber of Commerce

Louisiana Retailers Association

Louisiana Veterinary Medical Association

Lowes Companies, Inc.

Maine Merchants Association

Maine Veterinary Medical Association

Malcolm Riley and Associates

Marketing Developments, Inc.

Marshall Music Co.

Maryland Retailers Association

Massachusetts Veterinary Medical Association

Meijer, Inc.

Michigan Association of College Stores

Michigan Retailers Association

Michigan Veterinary Medical Association

Middle Atlantic College Stores

Minnesota Retail Association

Minnesota Veterinary Medical Association

Missouri Retailers Association

Mountains and Plains Independent Booksellers Association

NAIOP, Commercial Real Estate Development Association

NAMM. National Association of Music Merchants

National Association of Chain Drug Stores

National Association of College Stores

National Association of Counties

National Association of Electrical Distributors

National Association of Real Estate Investment Trusts

National Association of Realtors

National Association of Wholesaler-Distributors

National Bicycle Dealers Association

National Conference of State Legislatures

National Governors Association

National Grocers Association

National Home Furnishings Association

National League of Cities

National Retail Federation

National School Supply and Equipment Association

National Sporting Goods Association

Nebraska Retail Federation

Nebraska Veterinary Medical Association

Nevada Veterinary Medical Association

New Atlantic Independent Booksellers Association

New England Independent Booksellers Association

New Jersey Retail Merchants Association

New Jersey Veterinary Medical Association

New Mexico Retail Association

North American Retail Dealers Association

North Carolina Retail Merchants Association

North Carolina Veterinary Medical Association

North Dakota Retail Association

Ohio Association of College Stores

Ohio Council of Retail Merchants

Oklahoma Veterinary Medical Association

Outdoor Industry Association (OIA)

Pacific Northwest Booksellers Association

Pennsylvania Retailers' Association

Pet Industry Joint Advisory Council

Petco Animal Supplies, Inc.

PetSmart, Inc.

Professional Beauty Association

Properties, Inc

Real Estate Roundtable

Realtors Land Institute

REI (Recreational Equipment, Inc.)

Reininga Corporation

Retail Association of Mississippi

Retail Association of Nevada

Retail Council of New York State

Retail Industry Leaders Association

Retail Merchants of Hawaii

Retailers Association of Massachusetts

Rhode Island Retail Federation

Rocky Mountain Skyline Bookstore Association

Sears Holdings Corporation

Seattle Metropolitan Chamber of Commerce

Simon Property Group

Soccer Dealer Association

Society of Industrial and Office Realtors

South Carolina Association of Veterinarians

South Carolina Retail Merchants Association

South Dakota Retailers Association

Southern Independent Booksellers Alliance

Southwest College Bookstore Association

Steiner + Associates LLC

Stirling Properties

Streamlined Sales Tax Governing Board

Tanger Factory Outlet Centers, Inc.

Target Corporation

Taubman Realty Group

Tennessee Retail Association

Tennessee Veterinary Medical Association

Texas Retailers Association

The CortiGilchrist Partnership, llc

The Greeby Companies, Inc.

The Hocker Group

The Home Depot, Inc.

The Kroger Company

The Neiman Marcus Group, Inc

The Pratt Company

The Rappaport Companies

The Seayco Group

The Sembler Company

The Weitzman Group

Tractor Supply Company

Tri-State Bookstore Association

Utah Food Industry Association

Utah Retail Merchants Association

Utah Veterinary Medical Association

Vermont Retail Association

Virginia Retail Merchants Association

Virginia Veterinary Medical Association

Wal-Mart Stores

Washington Retail Association

Washington State Veterinary Medical Association

WDP Partners, LLC

Wendy's Company

West Virginia Retailers Association

West Virginia Veterinary Medical Association

Western Development Corporation

Westfield, LLC

Wisconsin Veterinary Medical Association

Wolfe Properties, LLC

World Floor Covering Association

Wyoming Retail Association

Wyoming Veterinary Medical Association

Zumiez, Inc.